

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 117753
ORIGIN EUR-12

INFO OCT-01 ISO-00 FEA-01 ACDA-07 CIAE-00 INR-07 IO-13
L-03 NSAE-00 NSC-05 EB-07 NRC-05 OES-07 DODE-00
ERDA-05 SS-15 PM-04 PA-01 PRS-01 SP-02 NSCE-00
SSO-00 USIE-00 INRE-00 /096 R

DRAFTED BY OES/NET:DHOYLE/LNOSENZO:EUR/EE:SFROMOWITZ:EM
APPROVED BY EUR;JARMITAGE
DESIRED DISTRIBUTION
NRC, T, PM, S/PRS

-----211610Z 124359 /73

O P 211600Z MAY 77 ZFF4
FM SECSTATE WASHDC
TO AMEMBASSY BELGRADE NIACT IMMEDIATE
INFO AMCONSUL ZAGREB PRIORITY
USMISSION IAEA VIENNA PRIORITY

LIMITED OFFICIAL USE STATE 117753

FOR VEST AND CHARGE

E.O. 11652: NA

TAGS: ENRG, TECH, SOPN, OVIP, YO, US

SUBJECT: KRSKO:CONTINGENCY PRESS GUIDANCE

1. THE DEPARTMENT HAS PREPARED THE FOLLOWING CONTINGENCY
PRESS GUIDANCE ON THE KRSKO ISSUE FOR USE, ON IF ASKED
BASIS, AT NOON BRIEFINGS.

BEGIN TEXT: QUESTION: WE UNDERSTAND THAT AN NRC DECISION TO
ISSUE THE LONG-DELAYED EXPORT LICENSE FOR THE YUGOSLAV
KRSKO REACTOR WAS MADE WHILE THE VICE PRESIDENT WAS IN
BELGRADE. CAN YOU VERIFY THIS?

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 117753

ANSWER: THE REACTOR EXPORT LICENSE WAS ISSUED LAST FRIDAY
(MAY 20).

QUESTION: WAS THE DECISION INFLUENCED BY THE VICE
PRESIDENT'S VISIT?

ANSWER: EFFORTS HAVE BEEN UNDERWAY FOR A NUMBER OF MONTHS TO REACH AGREEMENT WITH THE GOVERNMENT OF YUGOSLAVIA ON THIS MATTER. THESE EFFORTS INCLUDED TWO VISITS OF STATE DEPARTMENT OFFICIALS TO BELGRADE. THE SECOND VISIT ON MAY

,1 - 12 RESULTED IN A SATISFACTORY AGREEMENT CONSISTENT WITH THE CRITERIA FOR EXPORT IN THE PROPOSED NON-PROLIFERATION LEGISLATION WHICH THE PRESIDENT RECENTLY SUBMITTED TO THE CONGRESS. WE HAVE SINCE THEN HANDLED THE CASE ON AN EXPEDITED BASIS PARTLY BECAUSE WE OF COURSE WISH TO WRAP UP THIS MATTER PRIOR TO THE VICE PRESIDENT'S TRIP BUT MORE IMPORTANTLY BECAUSE WE UNDERSTAND THE REACTOR EQUIPMENT NEEDS TO LEAVE THE US BY EARLY JUNE IF THERE IS TO BE NO PROLONGED DELAY IN THE REACTOR CONSTRUCTION.

QUESTION: WHAT WERE THE BASIC ISSUES WHICH PREVENTED EARLIER ISSUANCE OF THIS LICENSE?

ANSWER: LET ME SAY FIRST THAT THE ISSUE HAS NOT STEMMED FROM A CONCERN THAT YUGOSLAVIA INTENDS TO USE OUR REACTOR AND FUEL FOR NUCLEAR EXPLOSIVES. YUGOSLAVIA IS PARTY TO THE NON-PROLIFERATION TREATY AND, AS SUCH, HAS FORESWORN ACQUIRING NUCLEAR EXPLOSIVES. IN ADDITION, YUGOSLAVIA HAS BEEN A LEADER IN THE INTERNATIONAL COMMUNITY IN SUPPORT OF A TOTAL PROHIBITION OF NUCLEAR WEAPONS AND NUCLEAR TESTING. THE KRSKO REACTOR AND ITS FUEL ARE BEING SUPPLIED UNDER ARRANGEMENTS MADE THROUGH THE INTERNATIONAL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 117753

ATOMIC ENERGY AGENCY (IAEA), UNDER WHICH THE US DOES NOT OBTAIN CERTAIN BILATERAL ASSURANCES AND RIGHTS, PARTICULARLY WITH REGARD TO A US VOICE IN ANY RETRANSFER OF EQUIPMENT AND DISPOSITION OF SPENT FUEL, WHICH EXIST IN MOST OF OUR DIRECT BILATERAL SUPPLY ARRANGEMENTS. THE US HAS BEEN ATTEMPTING TO OBTAIN SIMILAR ASSURANCES AND RIGHTS IN THE CASE OF KRSKO.

QUESTION: HOW WAS THE ISSUE RESOLVED?

ANSWER: THE GOVERNMENT OF YUGOSLAVIA, IN A LETTER TO THE IAEA, HAS AFFIRMED AND CLARIFIED CERTAIN COMMITMENTS MADE IN VARIOUS AGREEMENTS AND CONTRACTS IN CONNECTION WITH THE KRSKO REACTOR, AS WELL AS THOSE STEMMING FROM THE NPT. WE ALSO AGREED TO HOLD FURTHER DISCUSSIONS TO RESOLVE REMAINING QUESTIONS SUCH AS FUTURE DISPOSITION OF SPENT FUEL FROM THE KRSKO REACTOR PRIOR TO ISSUANCE OF THE EXPORT LICENSE FOR FUEL FOR THE REACTOR. THESE ASSURANCES WERE MORE THAN SUFFICIENT TO ALLOW THE EXECUTIVE BRANCH

TO RECOMMEND TO THE NUCLEAR REGULATORY COMMISSION ISSUANCE
OF THE EXPORT LICENSE FOR THE REACTOR CONSISTENT WITH THE
PROPOSED CRITERIA FOR EXPORT IN THE PRESIDENT'S PROPOSED
NON-PROLIFERATION LEGISLATION. END TEXT

2. PLEASE CONTINUE TO REPORT ANY YUGOSLAV PUBLIC STATE-
MENTS ON THIS ISSUE, PARTICULARLY IF THEY ARE AT VARIANCE
WITH EXPLANATION GIVEN ABOVE. CHRISTOPHER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NUCLEAR PROLIFERATION, BRIEFING MATERIALS, THE PRESS, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE117753
Document Source: CORE
Document Unique ID: 00
Drafter: DHOYLE/LNOSENZO:EUR/EE:SFROMOWITZ:EM
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770182-0148
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770531/aaaabaol.tel
Line Count: 124
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 46e5428c-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 21-Oct-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2420279
Secure: OPEN
Status: NATIVE
Subject: KRSKO:CONTINGENCY PRESS GUIDANCE
TAGS: ENRG, TECH, SOPN, OVIP, YO, US
To: BELGRADE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/46e5428c-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009